

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 692** HLS 14RS 1193

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 12, 2014 1:12 PM	Author: BROADWATER
Dept./Agy.: Workforce Commission/Labor	Analyst: Patrice Thomas
Subject: Payroll Reports Filed with LWC	

EMPLOYMENT/UNEMPLOYMENT

RE DECREASE See Note

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Provides with respect to payroll reports

In present law, if an employer fails to file a payroll report, the Louisiana Workforce Commission (LWC) shall make an estimate of the information that is required based on what is available at the time. Proposed law changes "shall" make an estimate to "may"; thereby authorizing an estimate. Present law provides that unless the employer files the report no later than 20 days after the mailing of the notice, the LWC shall compute the employer's rate of contribution on the basis of estimates. Proposed law changes "shall" to "may"; thereby allowing the LWC to compute the employer's rate of contribution on the basis of estimates but no longer mandates. Present law provides that an employing unit will cease to be an employer as subject to present law if the unit has been inactive for at least three calendar years. Proposed law changes the three calendar years (12 consecutive quarters) to four consecutive quarters.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Annual Total						
REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0


EXPENDITURE EXPLANATION

This proposed legislation is anticipated to decrease state expenditures by \$48,000 in printing and mailing costs as a result of changing the time frame for termination of employer status from three calendar years to four consecutive quarters. Information provided by the Louisiana Workforce Commission (LWC) indicates a reduction in printing and mailing expenditures of a one page notice is \$1.00 for approximately 48,000 notices of employer inactivity annually (48,000 x \$1.00 = \$48,000). According to the LWC, any savings resulting will be utilized in the Office of Unemployment Insurance Administration within LWC to provide direct customer service.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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|---|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |


John D. Carpenter
Legislative Fiscal Officer